

January 12, 2013

Mr. Charles David Abshire (6SF-AP)
Remedial Project Manager
U.S. Environmental Protection Agency
Region 6
1445 Ross Avenue
Dallas, TX 75202-2773

RE: December 2012 Monthly Report
United States of America and State of Texas v. Alcoa, Inc., et al.; CA No. 3:12-cv-00210
Malone Service Company Superfund Site - Texas City, TX

Dear Mr. Abshire:

On behalf of the Malone Cooperating Parties (MCP), in compliance with and pursuant to the Consent Decree (CD) and Statement of Work (SOW) for Remedial Design/Remedial Action (RD/RA) at the Malone Service Company Superfund Site in Texas City, TX, attached please find the Monthly Report for December 2012.

Should you have any questions, please contact me at 919-539-1928 or bobp@projectnavigator.com.

Very Truly Yours,

R Piniewski

Robert Piniewski
Project Coordinator

cc: Fay Duke - TCEQ
Malone Cooperating Parties

**MALONE SERVICE COMPANY SUPERFUND SITE
MONTHLY PROGRESS REPORT FOR DECEMBER 2012
SUBMITTED JANUARY 14, 2013**

1) SUMMARY OF WORK PERFORMED IN DECEMBER 2012

- a) MCP representatives continued preparation of draft Phase One RD/RA Work Plans.
- b) MCP representatives continued efforts on the Cemetery Relocation.
- c) MCP representatives continued stormwater management activities at the Site.
- d) The MCP executed the Trust Agreement and funded the Malone Site Trust in accordance with the requirements of the CD.

2) SUMMARY OF SAMPLING/TESTING RESULTS

- a) None.

3) DELIVERABLE STATUS & MODIFICATONS TO PLANS

- a) The MCP submitted a revised Cemetery Relocation Work Plan to EPA, Texas Historical Commission (THC) and Galveston County Historical Commission (GCHC) for review on October 12, 2012. EPA response pending.
- b) The MCP submitted a request to EPA to accept EPA approvals by email as “written” or “in writing” per the CD on October 15, 2012. EPA response pending.
- c) The MCP submitted the draft General RD/RA Work Plans and Component Plans to EPA and TCEQ on October 30, 2012, EPA and TCEQ response pending.
- d) A summary of Agency Communication for the past 3 months is shown in Table One.

4) POTENTIAL PROBLEM AREAS and ACTIONS TO BE TAKEN

- a) None.

5) COMMUNITY RELATIONS ACTIVITIES

- a) MCP representatives will support EPA’s community relations efforts as requested by the EPA RPM.

6) CHANGE IN PERSONNEL OR OPERATIONS

- a) None.

7) SCHEDULE

- a) The draft Phase One RD Work Plan will be due to EPA 30 days after EPA approval of the General RD/RA Work Plans and Component Plans.

8) PROJECTED WORK FOR NEXT TWO REPORTING PERIODS (JAN and FEB 2013)

- a) Review and address EPA and TCEQ comments on the Draft General RD/RA Work Plans and Component Plans as appropriate.
- b) Continue preparation of the Draft Phase One RD Work Plan.
- c) Continue efforts on the Cemetery Relocation Work.
- d) Continue stormwater management activities at the Site.

Table 1
Agency Communication Summary
Malone Service Company Superfund Site – Texas City, TX

| Date | MCP Communication Summary | Response From EPA Date | EPA Communication Summary | Notes |
|-------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------|
| 10/4/12 | Submitted request to add an MCP contact to the Notices and Submission section of the CD | 11/1/12 | EPA approved the addition of Steve Jawetz to receive communications per Section XXVII of the CD in a letter. | |
| 10/12/12 | Submitted revised Cemetery Relocation Work Plan to EPA, THC and GCHC for review. | Pending | | |
| 10/15/12 | Submitted request to accept EPA approvals by email as “written” or “in writing” | Pending | | |
| 10/18/12 | The MCP made all payments to the US and Texas as required by the CD. Required notices were sent to the US and Texas on 10-23-12. | n/a | | |
| 10/30/12 | Submitted Draft General RD/RA Work Plans and Component Plans | Pending | | |
| 11/12/12 | Submitted GCHC’s Letter approving the revised Cemetery Relocation Work Plan | 11/13/12 | Noted. | |
| 11/13/12 | Submitted Request for minor modifications and an extension of time to execute the performance guarantee Trust Agreement | 11/14/12 | Department of Justice letter received approving modifications and extension. | |

Table 1
Agency Communication Summary
Malone Service Company Superfund Site – Texas City, TX

| Date | MCP Communication Summary | Response From EPA Date | EPA Communication Summary | Notes |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|--------------|
| 12/3/12 | Submitted notification that the Trust Agreement for the Malone Site Trust was executed pursuant to and in satisfaction of Paragraph 46 of the Consent Decree. | n.a. | | |
| 12/20/12 | Submitted notification that the Malone Site Trust (including the Qualified Settlement Fund Subaccount) was funded in the amount of \$12,000,000 pursuant to Section 3(b) of the Malone Service Company Superfund Site Trust Agreement. | n.a. | | |